

Federal Crop Insurance Corporation, USDA

§ 457.7

multiple contracts of insurance were without the fault of the person.

(1) If the multiple contracts of insurance are shown to be without the fault of the person and:

(i) One contract is an additional coverage policy and the other contract is a Catastrophic Risk Protection policy, the additional coverage policy will apply if both policies are with the same insurance provider, or if not, both insurance providers agree, and the Catastrophic Risk Protection policy will be canceled (If the insurance providers do not agree, the policy with the earliest date of application will be in force and the other contract will be canceled); or

(ii) Both contracts are additional coverage policies or both are Catastrophic Risk Protection policies, the contract with the earliest signature date on the application will be valid and the other contract on that crop in the county for that crop year will be canceled, unless both policies are with the same insurance provider and the insurance provider agrees otherwise or both policies are with different insurance providers and both insurance providers agree otherwise.

(2) No liability for any indemnity, prevented planting payment, replanting payment or premium will attach to the contracts canceled as specified in paragraphs (d)(1)(i) and (ii) of this section.

(e) The person must repay all amounts received in violation of this section with interest at the rate contained in the contract (see § 457.8, paragraph 24).

(f) An insured whose contract with the Corporation or with a company reinsured by the Corporation under the Act has been terminated because of violation of the terms of the contract is not eligible to obtain multiple peril crop insurance under the Act with the Corporation or with a company reinsured by the Corporation unless the insured can show that the default in the prior contract was cured prior to the sales closing date of the contract applied for or unless the insured can show that the termination was improper and should not result in subsequent ineligibility.

(g) All applicants for insurance under the Act must advise the agent, in writ-

ing, at the time of application, of any previous applications for insurance or policies of insurance under the Act and the present status of any such applications or insurance.

[56 FR 1351, Jan. 14, 1991, as amended at 58 FR 58262, Nov. 1, 1993; 62 FR 65154, Dec. 10, 1997; 63 FR 66712, Dec. 3, 1998; 69 FR 48738, Aug. 10, 2004]

§ 457.3 Premium rates, production guarantees or amounts of insurance, coverage levels, and prices at which indemnities shall be computed.

(a) The Manager shall establish premium rates, production guarantees or amounts of insurance, coverage levels, and prices at which indemnities shall be computed for the insured crop which will be included in the actuarial table on file in the applicable agents' office for the county and which may be changed from year to year.

(b) At the time the application for insurance is made, the applicant will elect an amount of insurance or a coverage level and price from among those contained in the actuarial table for the crop year.

§ 457.4 OMB control numbers.

The information collection requirements contained in these regulations have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. chapter 35 and have been assigned OMB number 0563-0053.

[62 FR 65154, Dec. 10, 1997]

§ 457.5 Creditors.

An interest of a person in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy, involuntary transfer or other similar interest shall not entitle the holder of the interest to any benefit under the contract.

§ 457.6 [Reserved]

§ 457.7 The contract.

The insurance contract shall become effective upon the acceptance by the Corporation or the reinsured company of a duly executed application for insurance on a form prescribed by the

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Corporation. Changes made in the contract shall not affect its continuity from year to year. No indemnity shall be paid unless the insured complies with all terms and conditions of the contract, except as provided in the policy. The forms referred to in the contract are available at the offices of the crop insurance agent.

[56 FR 1351, Jan. 14, 1991, as amended at 69 FR 48739, Aug. 10, 2004]

§ 457.8 The application and policy.

(a) Application for insurance on a form prescribed by the Corporation, or approved by the Corporation, must be made by any person who wishes to participate in the program, to cover such person's share in the insured crop as landlord, owner-operator, crop ownership interest, or tenant. No other person's interest in the crop may be insured under an application unless that person's interest is clearly shown on the application and unless that other person's interest is insured in accordance with the procedures of the Corporation. The application must be submitted to the Corporation or the reinsured company through the crop insurance agent and must be submitted on or before the applicable sales closing date on file.

(b) FCIC or the reinsured company may reject or discontinue the acceptance of applications in any county or of any individual application upon FCIC's determination that the insurance risk is excessive.

(c) If the producer had a Crop Revenue Coverage, Revenue Assurance, Income Protection, or Indexed Income Protection crop insurance policy in effect for the 2010 crop year and has not canceled or changed such coverage in accordance with such policy, revenue protection will continue in effect under the Common Crop Insurance Policy Basic Provisions and no new application is required. Revenue protection will be at the same coverage level, 100 percent of price, with any applicable options, endorsements, and enterprise or whole-farm unit structures that were in effect the previous year still in effect, as long as all qualifications are met and such coverage remains available.

(1) If the producer had revenue coverage under the Revenue Assurance crop insurance policy for the 2010 crop year and:

(i) The producer had the fall harvest price option, for the 2011 crop year the producer will have revenue protection under the Common Crop Insurance Policy Basic Provisions based on the greater of the projected price or the harvest price; or

(ii) The producer did not have the fall harvest price option, for the 2011 crop year the producer will have revenue protection under the Common Crop Insurance Policy Basic Provisions and the harvest price exclusion.

(2) If the producer had revenue coverage under the Income Protection or Indexed Income Protection crop insurance policy for the 2010 crop year, for the 2011 crop year the producer will have revenue protection under the Common Crop Insurance Policy Basic Provisions and the harvest price exclusion.

(3) If the producer has revenue protection under paragraph (c) of this section, the producer may exclude coverage for hail and fire if the requirements are met.

(d) If the producer had coverage under an Actual Production History crop insurance policy for a crop under the Common Crop Insurance Policy Basic Provisions for the 2010 crop year, and that crop now has revenue protection available, the producer will have yield protection for the crop under the Common Crop Insurance Policy Basic Provisions in effect for the 2011 crop year at the same coverage level, and percentage of price, any applicable options or endorsements, and enterprise unit structures that were in effect the previous year continue in effect, as long as all qualifications are met and such coverage remains available.

(e) If the producer had coverage under Actual Production History or another crop insurance policy for a crop under the Common Crop Insurance Policy Basic Provisions for the 2010 crop year and that crop does not have revenue protection available for the 2011 crop year, the producer will continue with the same crop insurance policy (*e.g.*, Actual Production History or